

# **Missouri Department of Economic Development**

## **Small Business Incubator**

### **2005 Performance Report**

For Internal Management Review

## **Table of Contents**

<b>BLACK ECONOMIC UNION/ECONOMIC GROWTH - BEU</b>	<b>3</b>
<b>CENTER FOR EMERGING TECHNOLOGIES - CET</b>	<b>4</b>
<b>JOSEPH NEWMAN BUSINESS AND TECHNOLOGY INNOVATION CENTER –JNB TIC</b>	<b>7</b>
<b>LIFE SCIENCES BUSINESS INCUBATION CENTER - LSBIC</b>	<b>9</b>
<b>MISSOURI INNOVATION CENTER - MIC</b>	<b>10</b>
<b>MISSOURI INCUTECH FOUNDATION - MITF</b>	<b>11</b>
<b>NIDUS CENTER FOR SCIENTIFIC ENTERPRISE - NIDUS</b>	<b>14</b>
<b>OZARK FOOTHILLS DEVELOPMENT ASSOCIATION - OZARK</b>	<b>17</b>
<b>SMALL BUSINESS SYNERGY CENTER - SBSC</b>	<b>19</b>
<b>SOUTHEAST MISSOURI INNOVATION CENTER - SMIC</b>	<b>23</b>
<b>ST. LOUIS ENTERPRISE CENTER - STLEC</b>	<b>25</b>
<b>TECHNOLOGY ENTREPRENEUR CENTER - TEC</b>	<b>27</b>
<b>THOMAS HILL ENTERPRISE CENTER - THEC</b>	<b>29</b>
<b>EXHIBIT 1 – Annual Tax Credits Issued per Incubator per Calendar Year</b>	

## **Black Economic Union/Economic Growth - BEU**

**This incubator did NOT report.**

# Center for Emerging Technologies - CET

## FOCUS:

Biotechnology, medical devices and instruments and other advanced technologies

## MISSION

Key player in positioning St. Louis region as a global center for the life sciences and other advanced technologies

## FACILITY

<i>Facility Size:</i>	<i>Rentable Unit Size:</i>	<i>Number of Units:</i>	<i>Occupancy Rate:</i>
92,000 sq. ft.	61,264 sq. ft.	55	91%

## ORG STRUCTURE

CET is a not-for-profit organization, certified by the Department of Economic Development in 1998.

## ALLIANCES, PARTNERS, SPONSORS

NASA/Texas A&M, Missouri Department of Economic Development, University of Missouri – St. Louis

## FUNDING

*Federal:* \$35,000 – NASA

*State:* \$521,061 – Small Business Incubator Program, 1999-2005 (tax credits, 50% of contributions)  
\$94,755 – Remediation (Brownfield) Program, 2001-2005 (tax credits, various % of contributions)  
\$2,132,059 – Missouri Innovation Center Program, 1998-2005

*Local:* \$252,000 – City of St. Louis

*Private:* \$318,000 – Contributions

*Other:* \$800,000 – Services

## BUSINESS/OPERATION

### *Target Markets:*

- Biotechnology
- Medical devices and instruments
- Other advanced technologies

### *Services Offered:*

- Wet and dry laboratories, shared conference space and amenities, specialized equipment and broadband telecommunications
- Entrepreneur trainings, courses and seminars
- Collaboration with CORTEX (Center of Research, Technology and Entrepreneurial eXchange) regarding offices for the graduates
- Capitalization on unique community assets such as physical proximity to major research institutions, universities, hospitals, etc.
- High quality of CET management

*Entrance Criteria:*

- A start-up must be in the process of creating, refining or developing a marketable advanced technology
- A product/service is likely to satisfy a market need within a reasonable period of time and lead to a viable and high-growth business
- Applicants are expected to have an existing or potential relationship with the region's universities
- Economic impact on the St. Louis region and community is expected
- A start-up must be able to benefit from CET space and services

*Success Graduation Criteria:*

- Profitable annual sales in excess of \$3MM
- Workforce exceeds 40 employees
- Space occupancy exceeds 7,500 sq. ft.
- Acquisition by a larger company
- Majority of the space is used for marketing rather than for research and development
- Experienced and stable management team

*Failure Exit Criteria:*

- Lack of substantive progress toward technology, sales, management or financial milestones
- Failure to prove the technology, to develop prototype or to demonstrate marketability
- Substantial loss of capital or inability to raise critical capital for continued development
- Persistent problems with management
- Persistent inability to pay rent, fees and other payables
- Significant changes in the initial criteria used to qualify for tenancy

## RECENT DEVELOPMENTS

In 2003 CET was named one of the top 10 biotech/biomedical incubators in the country by the National Business Incubation Association. Among incubators with a focus in biotechnology and biomedicine, CET was ranked 1<sup>st</sup> in average revenue growth, 9<sup>th</sup> in average employment growth, 10<sup>th</sup> in research grant support and 3<sup>rd</sup> in patents held.

During fiscal year of 2005, tenants obtained \$133.7M in funding from investors, venture funds corporate contracts and federal research grants, including Stereotaxis IPO of \$47.7M. During seven years since CET opening, companies have obtained a total of \$479M in funding while they were tenants. Graduate companies raised an additional \$86M bringing the total funding obtained by CET companies to \$565M.

## PORTFOLIO OF CURRENT TENANTS

Most tenants chose CET because of its location close to Washington University, St. Louis University, BJC Healthcare Complex, previous relationships with CET and availability of wet labs. One of the tenants, Stereotaxis graduated in December, 2005 reducing the CET capacity to 36.39%

1. **AP Materials, Inc.** - holds an exclusive worldwide license to a patent for production of nanopowders for cell phones, laptops and palmtop computers, components for alternative energy sources and many other high value and high growth end-markets. AP Materials reactivated the nano-metal reactor in the CET, received milestone payments and an option LOI from Cabot, and fulfilled NSF grant requirements on nano-tantellum.
2. **Ageia Technologies, Inc.** - integrates new technologies of several fields onto a single device such as System On a Chip (SOC). This integration enables new applications to be made possible by recent development in engineering and technology. Ageia developed the flagship solution for delivering dynamic interactive realism for next generation video games. Ageia physX was introduced at a major trade show.

3. **BioSynthema** - develops receptor-targeted radiopharmaceuticals for the diagnosis and treatment of cancer. Its approach represents a major advance over existing oncology products because it will allow physicians to use an in vivo diagnostic imaging agent to select patients most likely to respond to a corresponding radio-therapeutic. BioSynthema was selected as contractor for multi-center trial in the U.S. and Europe. It underwent laboratory expansion into a new space at CET and submission of a National Cancer Institute NCI/AP4 grant proposal as a Partner and Principal Investigator with University of Iowa.
4. **Kereos, Inc.** - develops targeted therapeutics and imaging agents, focused primarily on cancer and cardiovascular disease. Its first candidate will allow earlier diagnosis of a wide variety of solid tumors using MRI. A second targeted NP candidate will allow MR imaging and diagnosis of unstable plaque in atherosclerosis. Kereos completed its first close of a Series financing and executed a partnership with Do Chemical Company. The company also received a \$7.3 M grant from the National Heart, Lung and Blood Institute.
5. **Orion Genomics** - addresses two markets – human health and agricultural biotechnology. It creates value by forging alliances with pharmaceuticals, diagnostics, and agricultural research partners as well as by building an intellectual property portfolio. North Carolina State University extended its contract for the tobacco genome initiative. Orion was named a top 50 company by Deloitte & Touche and the St. Louis RCGA. The company was awarded \$1.5M NSF grant to determine sequence of a parasitic worm. Orion entered into colon cancer collaboration with Johns Hopkins University and was awarded 2005 Missouri Governor's Technology Award.
6. **Singulex, Inc.** - Singulex Direct Molecular Detection technology enables faster, simpler and less expensive detection of specific unamplified molecules in solution despite large backgrounds of non-target molecules. The company's ultra-sensitive instrumentation is targeted to research and clinical applications in cancer analysis, pathogen diagnostics, bio-terror agent detection and drug development. Singulex has recently hired a CEO and raised a round of venture capital and established a California commercialization team.
7. **SpectrAlliance, Inc.** - designs and builds spectroscopic instrumentation for industrial process control and laboratory automation. These instruments are used within pharmaceutical manufacturing industry to monitor processes including powder blending, drying and reactor vessel cleaning. SpectrAlliance experienced sales growth and achieved positive cash flow from the high interest of major pharmaceutical manufacturers.
8. **Stereotaxis** - develops a platform designed to bring significant efficiencies to existing interventional procedures, and to enable important new interventional procedures in electrophysiology, interventional cardiology and interventional neurosurgery. Initial applications and proprietary instrument control platform are FDA cleared under 510(k). Stereotaxis issued its IPO in August, 2004 and completed system installations in the U.S., Europe and Asia.
9. **Zassi Medical Evolutions, Inc.** - dedicated to improve the quality of life of people suffering from debilitating conditions affecting the gastrointestinal tract. Zassi successfully developed two highly differentiated gastrointestinal product lines. Zassi Medical Evolutions exceeded \$3 M in sales and received favorable reports of a major reduction in hospital infections with severe burn victims.

#### PORTFOLIO OF GRADUATES OPERATING IN MISSOURI

Most tenants remained in St. Louis because of the residency of the founders and workforce.

1. **Celox Networks, Inc.** - developed intelligent, fast and flexible broadband remote access servers. These servers enable network service providers to provide their home and corporate subscribers high-speed access to the Internet and utilize emerging applications like on-demand television and movies, home videoconferencing, multiplayer interactive games, rich-media advertising, e-commerce and distance learning.
2. **Data Search Systems, Inc.** - developed proprietary technology that filters, searches, encrypts, and decrypts unstructured data where stored – at hardware speeds, with the flexibility of

advanced software. Applications include intelligence, genomics, scientific research, medicine, corporate servers, storage networks, and the Internet.

3. **DNA Polymerase Technology, Inc.** - developed improved technology for detecting, analyzing and manipulating genes. Its core area of research was PCR, which is a method for amplifying targeted sequences of DNA. Their product was KlenTaq1™, an enzyme that catalyzes PCR and is used in thousands of laboratories throughout the world.
4. **Gateway Analytical Labs** - Gateway Analytical Labs provides shadow testing for FDA chemical procedures.

#### PORTFOLIO OF GRADUATES OPERATING IN OTHER STATES

1. **Daedalus Technologies Company** - developed medical instruments to replace invasive blood testing. Theoretical development of the device was complete and a proof of principle prototype was produced and tested. A patent was issued for this technology on November 2, 1999. DTC was also developing a minimally invasive monitoring system for use in conjunction with bypass surgery or hemodialysis. A functional prototype was completed and a patent application was submitted. The technology was licensed to a Texas company.
2. **InfuSafe, LLC.** - developed a set of medical devices and pharmaceutical packages which eliminate or minimize the need for needles and other sharps in the patient care setting. The technology was bought by Becton-Dickinson of New Jersey.
3. **MicroSense of St. Louis, LLC** - licensed technology from a domestic university and applied this technology to design diagnostic and monitoring instrumentation for medical and biological use. The device was used for diabetics to monitor glucose painlessly and without the need to draw blood. MicroSense was bought by Becton-Dickinson of New Jersey.
4. **Symbiontics, Inc.** - developed innovative therapeutics that will significantly improve the lives of patients who suffer from genetic disorders known as lysosomal storage diseases (LSD). The assets were purchased by Zystor Therapeutics.

#### PORTFOLIO OF FAILED TENANTS

1. **Auxeris Therapeutics, Inc.** - went out of business due to failure to adequately protect its IP in December, 2004. Auxeris developed breakthrough medicines to treat a broad range of bone diseases.
2. **MinMax Technologies** - failed due to its inability to secure more funding in May, 2000. MinMax developed a fables chip telecommunication device.

# **Joseph Newman Business and Technology Innovation Center – JNB TIC**

## **FOCUS**

Mixed use

## **MISSION**

Create a positive environment for developing, supporting and promoting entrepreneurs with an emphasis on those pursuing innovative technology

## **FACILITY**

**Under construction**

## **ORG STRUCTURE**

JNB TIC is a not-for-profit organization, certified by the Department of Economic Development in 2004.

## **ALLIANCES, PARTNERS, SPONSORS**

Joplin Area Chamber of Commerce, Joplin Area Chamber of Commerce Foundation, City of Joplin, Missouri Southern State University, MAST Alliance

## **FUNDING**

*Federal:* \$600,000 – EDA grant (expected)

*State:* \$92,000 – Small Business Incubator Program, 2004-2005 (tax credits, 50% of contributions)

*Local:* \$0

*Private:* \$700,000 – Contributions

*Other:* \$0

## **BUSINESS/OPERATION**

### *Target Markets:*

- Life sciences
- Information technology
- Advanced manufacturing

### *Services Offered:*

- Support of start-ups or existing companies
- Referral to supporting services and organizations
- Help with financial support through local
- State and federal funding
- Promotions, seminars and networking

## **RECENT DEVELOPMENTS**

As an innovation center based within Joplin Area Chamber of Commerce offices, JNB TIC has been working to support startup entrepreneurs as well as established companies to help them become more successful. A promotional program will begin as soon as the construction on the building is complete and



ready for tenants. It is sponsored by Joplin Area Chamber of Commerce Foundation, which is located in Joplin, MO 64801.

#### PORTFOLIO OF CURRENT TENANTS

1. **Gestalt, LLC** - recently began developing innovative software for the Department of Defense which will be utilized in a project "The Soldier as a Sensor." Congressman Blunt secured \$3.8 million of Federal Appropriation Funding for this project. Gestalt plans to increase jobs in 2006. Gestalt is currently located on the property of Joplin Area Chamber of Commerce and will move in a renovated center once it is completed.

#### PORTFOLIO OF GRADUATES OPERATING IN MISSOURI

1. **The Candy Factory** - manufactures home made candies. JNBTC leased space in the original building for warehousing, distribution and internet sales. The help from JNBTC helped the company with the busy Thanksgiving and Christmas season and made their new venture a great success.

#### PORTFOLIO OF GRADUATES OPERATING IN OTHER STATES

1. **KMo Corporation** - designed, developed and manufactured innovative motorcycle trailers. The company was purchased by a principal in the company living in California.

# **Life Sciences Business Incubation Center - LSBIC**

## FOCUS

Research and development

## FACILITY

**Under Construction**

## ORG STRUCTURE

LSBIC is a not-for-profit organization, certified by the Department of Economic Development in 2004.

## ALLIANCES, PARTNERS, SPONSORS

Missouri Innovation Center

## FUNDING

*Federal:* \$0

*State:* \$115,500– Small Business Incubator Program, 2004-2005 (tax credits, 50% of contributions)  
\$625,331 – Missouri Innovation Center Program, 2004-2005

*Local:* \$0

*Private:* \$0

*Other:* \$0

The incubator is also actively seeking other financing from federal, local and private sources.

## BUSINESS/OPERATION

*Target Markets:*

- Life sciences
- Engineering Sciences

*Services will be offered:*

- Wet labs
- Comprehensive business assistance program
- Needs identification
- Coaching and facilitation
- Mentoring client progress
- Financing
- Academic linkages
- Faculty consulting

## **Missouri Innovation Center - MIC**

**Not active incubator.**  
**Active innovation center.**

# Missouri IncuTech Foundation - MITF

(DBA Missouri Enterprise Business Assistance Center)

## FOCUS

Advanced manufacturing, information technology, life sciences

## MISSION

Provide technical and engineering assistance to Missouri small- and medium-sized manufacturers

## FACILITY

<i>Facility Size:</i>	<i>Rentable Unit Size:</i>	<i>Number of Units:</i>	<i>Current Capacity:</i>
14,364 sq. ft.	10,949 sq. ft.	13	80%

## ORG STRUCTURE

MITF is a not-for-profit organization, certified by the Department of Economic Development in 1991.

## ALLIANCES, PARTNERS, SPONSORS

Missouri Department of Economic Development, NIST, University of Missouri-Rolla

## FUNDING

*Federal:* \$0

*State:* \$319,858 – Small Business Incubator Program, 1992-1993 (tax credits, 50% of contributions)  
\$2,067,159 – Missouri Innovation Center Program, 1998-2005

*Local:* \$0

*Private:* \$0

*Other:* \$0

## BUSINESS/OPERATION

*Target Markets:*

- Start-up companies or start-up divisions of existing companies in focus areas

*Services Offered:*

- Affordable space suitable for offices or light manufacturing
- Visitor receptionist
- Conference room
- Training room – television, VCR, meeting board, overhead projector, screen
- Notary public on-site
- Business and administrative services
- Free parking
- 24-hour tenant access to building
- Location on the University of Missouri-Rolla campus
- Quick interstate access

*Entrance Criteria:*

- Business focus area evaluation
- Viability of business venture

- Value of incubator service to tenant's probable success
- Willingness of tenant to accept business advice

*Success Graduation Criteria:*

- In existence, or acquired, and still in business line developed while in incubator

*Failure Exit Criteria:*

- No longer in existence, in business line developed while in incubator

RECENT DEVELOPMENTS

Center for Aerospace Manufacturing Technology will use extra space to accommodate a large autoclave

PORTFOLIO OF CURRENT TENANTS

1. **4aWebSolution** - provides computer application programming services primarily Internet based business systems and web page development.
2. **Center for Aerospace Manufacturing Technology** - conducts composite manufacturing research for aerospace manufacturing (the University Lab). Recently, the company has installed autoclave.
3. **Innovative Science and Technology, LLC** - algorithm development for ballistics, missiles, and other trajectory modeling, simulation, and projection (SBIR award). Recently, the company completed Phase I SBIR and preparing for Phase II.
4. **Janet Carroll Consulting, LLC** - provides Mapping, Geographic Information Systems (GIS) and imagery services to engineering firms, local and state government and federal agencies. The company has recently moved from the University of Missouri Technology Park at Fort Leonard Wood to start Her own business.
5. **Missouri Transportation Institute** - consortium for research and development of transportation infrastructure and deployment of technology.
6. **Virtual Reality and Rapid Prototyping Laboratory** - supports Homeland Defense, manufacturing, and training (the University Lab). Recently, the company conducted first responder training for DoD and DHS.

PORTFOLIO OF GRADUATES OPERATING IN MISSOURI

1. **Alliance for Advanced Coatings Research** - conducts research and development of coating systems including environmental aging, salt exposure. The company is developing web-based national coatings industry education program.
2. **InTech** - involved in high tech precision machining. Recently, the company merged with ORC-O Machine and Tool in 2002.
3. **Total Environmental Labs** - provides environmental testing laboratory.
4. **UMR-Computer Networking Lab** - conducts computer network security research and development.
5. **Veil Interactive Technologies** - makes interactive television devices.

PORTFOLIO OF GRADUATES OPERATING IN OTHER STATES

1. **Roller Die & Forming Company** - developed roller die and forming. The company after graduation moved to Kentucky for undisclosed reason.
2. **Vizyontech Ventures LLC** - provides advanced design engineering services in medical digital imaging processing and targeting, and specialty polypropylene materials. The company after graduation moved to California due to perception of better venture capital opportunities and enhanced start-up environment for bio-science businesses. If they move into manufacturing, they will favor locating production in Missouri.

#### PORTFOLIO OF FAILD TENANTS

1. **Partner Precision** - bankruptcy in October, 2000. The company was involved in high tech precision machining. Missouri Enterprise worked closely with the company and after its bankruptcy was able to help InTech to take over the assets and start a new business.
2. **Twilight Productions** - failed in 2004 due to demands of new jobs. It was involved in video production and graphic arts.

# Nidus Center for Scientific Enterprise - NIDUS

## FOCUS

Plant and Life Sciences

## MISSION

Create a critical mass of plant and life science companies; attract all stages of investment capital, commercialize partner technologies; and become recognized as world center for life science research and commercialization

## FACILITY

<i>Facility Size:</i> 37,000 sq. ft. (excluding basement)	<i>Rentable Unit Size:</i> 700 sq. ft. labs; 120 sq. ft. offices	<i>Number of Units:</i> 24 labs; 20 offices	<i>Current Capacity:</i> 82%
--	--	--	---------------------------------

## ORG STRUCTURE

NIDUS is a non-for-profit organization, certified by the Department of Economic Development in 2003.

## ALLIANCES, PARTNERS, SPONSORS

BioGenerator, Donald Danforth Plant Science Center, Monsanto Corporation, St. Louis University, Washington University

## FUNDING

*Federal:* \$0

*State:* \$32,997 – Small Business Incubator Program, 2003 (tax credits, 50% of contributions)

*Local:* \$0

*Private:* Monsanto financing provided all funding (undisclosed)

*Other:* \$

## BUSINESS/OPERATION

### *Target Markets:*

- Agricultural biotechnology
- Pharmaceutical discovery
- Medical service and devices

### *Services Offered:*

- Milestone setting
- Coaching
- Access to investment capital
- Management participation on boards
- CEO meetings and training

### *Entrance Criteria:*

- Ability of management to benefit from coaching

- IP protection
- Ability to attract investments
- Market opportunities

*Success Graduation Criteria:*

- Strong management
- Investment capital raised
- Strong IP position
- Viable business model

*Failure Exit Criteria:*

- Inability to attract investments
- Management breakdown
- Failure to get IP

PORTFOLIO OF CURRENT TENANTS

1. **Akermis, Inc.** - develops alternative fuel sources using a bio fuel cell. It obtained start-up funding from the BioGenerator to move company forward until they are able to start fund raising with venture capital firms.
2. **Apath, LLC** - a pharmaceutical discovery company that engaged in developing a broad range of therapeutic products for the treatment of viral infections. Apath has been the recipient during 2004 of over \$3.2M in multi-year NIH grants to further advance their research and development.
3. **Chlorogen, Inc.** - an agricultural-biotechnology company that focused on the development of drugs and vaccines in plants for the treatment of human diseases. Chlorogen and Sigma-Aldrich signed joint development agreement to produce first ever products from chloroplasts.
4. **Divergence, Inc.** - ready to graduate but looking for an appropriate space. Divergence is an agricultural-biotechnology company that focused on developing safe and effective products for the control of parasitic diseases that are caused by the parasitic nematode. Divergence entered into an agreement with Monsanto to collaborate on the development of nematode resistant soybeans.
5. **Graphic Surgery, Inc.** - a medical services company that developed web-based tools to educate patients, medical personnel and consumers about various surgeries. Graphic Surgery signed on several large employers to provide its service as an employee benefit. This company came to Missouri from Rochester, NY because of the services offered by NIDUS.
6. **HumanZyme** – the company originally is from Illinois.
7. **ISW Group** –
8. **MOgene, LLC** - pharmaceutical services company that offers gene expression profiling and bioinformatics services, using their Agilent certified facility as well as R&D in other areas.
9. **Venganza** –

PORTFOLIO OF GRADUATES OPERATING IN MISSOURI

1. **Quick Study Radiology, Inc.** - a medical services company that provides cutting edge digital imaging capabilities to small to medium sized hospitals with minimal capital expenditure requirements. Quick Study Radiology poised to close on a \$1.9M round of venture capital financing with Advantage Capital in January, 2005.
2. **TSV Industries, Inc.** - a U.S.-based medical transcription services company that uses the INFLOW transcription system to physicians and hospitals for over 3 years.



#### PORTFOLIO OF GRADUATES OPERATING IN OTHER STATES

1. **Efficas** - uses a corporate partnering model to commercialize proprietary bioactives in products enhancing both human and animal health. The company moved to Colorado for unknown reasons.
2. **Proteoplex, Inc.** - provided functional genomic and proteomic based tools and services in the area of gene and protein expression and cell based assays to the scientific community. Proteoplex relocated to a larger space in Missouri in 2002 and was bought in 2003 by a division of the German-based Merck AG. The company moved to Wisconsin.

#### PORTFOLIO OF FAILED TENANTS

1. **APT Therapeutics, Inc.** - a pharmaceutical discovery company that used protein informatics to aid in the development of drugs.
2. **Colliant, LLC** - unable to obtain a license. Colliant was working on GMO forestry products.
3. **Shurjo Medical Technologies, Inc.** - unable to work full time to grow company and never succeeded in locating resources to take company through next steps. Shurjo Medical Technologies used autofluorescence to detect cancer cells. IP work completed and a rough prototype developed.

# Ozark Foothills Development Association - OZARK

## FOCUS

Product Manufacturing

## MISSION

To advance economic development through the creation, support and nurture of new and expanding business and commercial enterprise and to make funds, buildings and facilities available for economic development projects

## FACILITY

<i>Facility Size:</i> 20,000 sq. ft.	<i>Rentable Unit Size:</i> 2,300/2,700/5,000 sq. ft.	<i>Number of Units:</i> 6	<i>Current Capacity:</i> 100%
---	--	------------------------------	----------------------------------

## ORG STRUCTURE

OZARK is a non-for-profit organization, certified by the Department of Economic Development in 1990.

## FUNDING

*Federal:* \$

*State:* \$2,500 – Small Business Incubator Program, 1990 (tax credits, 50% of contributions)

*Local:* \$

*Private:* \$

*Other:* \$30,000, Rent Income

## BUSINESS/OPERATION

*Target Markets:*

- Manufacturing
- Assembly
- Distribution
- Warehousing

*Services Offered:*

- Clerical
- Business plan preparation
- Marketing assistance

*Entrance Criteria:*

- Ability and authority to secure operating capital
- Provide a product or service which will contribute to economic development
- Agree to locate within service area following incubation period

*Success Graduation Criteria:*

- Facility occupancy rate
- Space requirements
- Solvency goals

*Failure Exit Criteria:*

- Inability to meet employment, business and solvency goals

PORTFOLIO OF CURRENT TENANTS

Most tenants chose OZARK due to a location, access to manufacturing plants in industrial park, size and cost. OZARK is 100% full.

1. **American Tool & Plastics, Inc.** - tool and die/plastics injection molding. Recently purchased equipment to expand product capacity and variety.
2. **Aramark Uniforms, Inc.** - uniform supply and distribution. Recently installed automated truck loading system.
3. **CRT Lighting, Inc.** - special event lighting assembly and pyrotechnics. Recently expanded service territory.
4. **Industrial Medicine Clinic** - healthcare and injury prevention.
5. **Ozark Physical Therapy** - industrial injury rehabilitation.

# Small Business Synergy Center - SBSC

## FOCUS

Mixed use

## MISSION

To provide an environment where businesses can prosper and grow

## FACILITY

<i>Facility Size:</i>	<i>Rentable Unit Size:</i>	<i>Number of Units:</i>	<i>Current Capacity:</i>
65,000 sq. ft.	150 sq. ft.	79	98%

## ORG STRUCTURE

SBSC is a non-for-profit organization, certified by the Department of Economic Development in 1992.

## ALLIANCES, PARTNERS, SPONSORS

City, State and Local Governments, SBA, SBDC, SCORE, University of Missouri Outreach

## FUNDING

*Federal:* \$0

*State:* \$207,875 – Small Business Incubator Program, 1993-2002 (tax credits, 50% of contributions)

*Local:* \$0

*Private:* \$0

*Other:* \$0

## BUSINESS/OPERATION

### *Target Markets:*

- Home business owners
- Start-up companies
- Entrepreneurs

### *Services Offered:*

- Affordable office space
- T1 data and phone system
- Full-time staff
- SBDC
- Networking
- Shared services

### *Entrance Criteria:*

- Business plan
- Start-up
- Application process
- Incubator Advisory Committee

*Success Graduation Criteria:*

- Moving to a larger facility
- Job creation
- Growth of the business

*Failure Exit Criteria:*

- No payment of rental fees
- Business losing money
- No job creation

PORTFOLIO OF CURRENT TENANTS

1. **Access Accounting eSolutions & Services** - provides accounting software products and services to large clients. Currently is looking for a building.
2. **Affinity Capital** - provides residential mortgage services with a single point of contact for the entire home purchasing experience with little to no fees. Partners split happened recently.
3. **Alternative Tool/Die Machine, Inc.** - die/mold tooling design engineering and machining. The company is adding staff.
4. **American Elite Health** – undisclosed
5. **Antibody Research Corporation** - in immune-technology company involved in contract research and manufacturing of high quality antibodies, development of new monoclonal antibodies and assay development. Hired a new employee
6. **Assist 2 Sell** - residential real estate services. Buying a building, moving out next year.
7. **AUVI Technologies** - advanced audio/video entertainment and consumer products.
8. **BiWeekly Services** - Manage Your Mortgage, Inc. is a biweekly payment service provider that offers services for mortgage, auto, and student loans. MYM is located in St. Charles, MO. They have successfully completed integration of Manage Your Mortgage's web-based consumer technologies into FKNC's TruePay ACH technology. They're the first to market with a 100% online biweekly payment system.
9. **Briscoe-Ennis, Ltd** - service includes the buying and selling of new and used Medical, Lab and Computer equipment
10. **CDK Web** - Web Design
11. **Colliers Turley Martin Tucker** - commercial real estate developer. Added another St. Charles agent in 2004.
12. **Diversified Metals** - diversified Metals offers customers a range of value-added services. The company is able to custom cut a large production run to accommodate customer requirements. Shipping of unusual and non-standard sized materials is expedited by the company's unique transport capabilities. Added A-286 to its Stainless Inventory Program to better serve the Aerospace, Automotive and Fastener Industries.
13. **Drake Financial Services** - equipment leasing company.
14. **Fitness Outlet, Inc.** - fitness equipment outlet store.
15. **Gala Force Events** - fundraising techniques/assistance for Not-for-profit organizations
16. **Holmes Custom Creation** – undisclosed
17. **Hope Readimix** - concrete hauling company. Certified as DBE/WBE/MBE.
18. **Humidfall LLC** - designs and manufactures decorative humidifiers called Humidifalls and decorative non-humidifying waterfalls called Aquafalls, for commercial and residential use. Selected by the Better Homes and Garden for Top 10 Best New Products Picks for 2002 by the homebuilder show. In 2004, they were featured in St. Louis Homes and Lifestyles for their waterfalls. The company needs more space.
19. **Icon Polymer** - manufactures technically complex polymer solutions including international aerospace and defense organizations.
20. **IBT, Inc.** - computer networking and IT company.
21. **Keary Claim Services** - independent insurance claims adjusting and consulting services for insurance companies.
22. **KJAJ for North Central Kirby Vac** – undisclosed

23. **Metastable Instruments, Inc.** - supplier of laser related products, starting with a new optomechanical product line for steering laser beams. In 2004 they landed a two-year, \$750,000 contract from the Missile Defense Agency (MDA) to develop an instrument that could benefit high-power laser weapons that destroy ballistic missiles.
24. **Mid America Century Life Insurance** – undisclosed
25. **Morrison Law** - Attorney at Law
26. **Mountain Mud Espresso** - espresso and specialty coffees drive through service. In 2003 opened up second drive thru facility.
27. **N2 Publishing** - professional neighborhood magazine publishing.
28. **Presettlement Funding Services** - they provide professional, discreet, timely and competitive funding solutions to qualified plaintiffs. Expanded into the Kansas City area.
29. **Progressive Appraisal** - progressive Appraisal is a full service Residential Real Estate Appraisal Firm. We specialize in strong customer service with attention to detail providing for an efficient and accurate appraisal. Expanded its service areas in St. Charles County. Looking for space.
30. **Realadi** - "Reverse Engineering" for application to prosthetics and orthotics, digitally capturing the geometry of an object allowing for the creation of a 3-D computer model. Expanded in February, 2005. Presented a three-day seminar about knee prosthetics in California.
31. **Realtime Fantasy Sports, Inc.** - provides high quality, affordable, on-demand information and data processing to the worldwide fantasy sports community utilizing the power of the Internet.
32. **Rory Ries Counseling Services** - full service counseling service for its clients.
33. **Safe-Ride Medical Transport, LLC** - medical transportation for non emergency clients.
34. **St. Louis Arms** - firearms, ammunition, and related products. Also, digitally available archives of firearms related literature. A website with both retail and auction capabilities with a chat and message community. Looking for space, featured in national firearms magazine in 2004.
35. **Terra Firma USA** - a wine importer/wholesaler located in the Midwest. Our company has one goal - to find and promote the best quality wines produced in Romania. Expanded 5/05, wines featured at The Wine Opener that is a national wine-tasting series to benefit the Cystic Fibrosis Foundation.
36. **Trailhead GIS, Inc.** - a geographic information systems solutions company specializing in providing a full range of GIS solutions to the private sector, local governments, and utilities. GIS solutions enhance our clients' business and decision-making capabilities by providing the tools they need to effectively manage their spatially related data. Looking for space, has developed an application to assist AmerenUE field teams in the capture of data collected during on-site field inspections at the Lake of the Ozarks.
37. **Trans America Products Technology, Inc.** - TAPT is a technical, marketing and management consulting firm specializing in new product development. With laboratories and engineering bays, TAPT is focused on development of new formulation technologies for agrochemical, pharmaceutical, cosmetic and industrial applications. TAPT is actively involved in business consulting activities in Latin America. Through TAPT the customer can evaluate new technologies and business opportunities prior to committing to manufacturing and commercialization investments. Manufacturer of TopFilm TM a new Natural-based adjuvant for the use with insecticide and fungi and herbicides.
38. **Trinity Logistics** - logistics Services for the transportation industry.
39. **U Design Jewelry** - they wholesale jewelry materials to their Direct Selling Representatives. Those representatives host home parties that allow women to design their own jewelry from a supply of beads.
40. **UGA** - the marketing arm for the associations of NASE and AFS.
41. **US Strategic** - financial investment solutions through subsidiary Companies in both the commodities and equities markets. Looking for space.
42. **Young Communications** - infrastructure communications

#### PORTFOLIO OF GRADUATES OPERATING IN MISSOURI

92 companies graduated from SBSC out of which 12 are out of business with the average occupancy 2.57 years.

#### PORTFOLIO OF GRADUATES OPERATING IN OTHER STATES

Four companies moved to Illinois, California, Wisconsin and South Carolina for undisclosed reasons with the average occupancy of 2.42 years.

#### PORTFOLIO OF FAILED TENANTS

36 companies failed mostly for insufficient amount of funding with the average occupancy of 1.21 years.

# **Southeast Missouri Innovation Center - SMIC**

## **FOCUS**

Mixed use

## **MISSION**

To improve local economic strength of Southeast Missouri by creating new companies, new investments and improving shareholder value and profitability of companies.

## **FACILITY**

<i>Facility Size:</i>	<i>Rentable Unit Size:</i>	<i>Number of Units:</i>	<i>Current Capacity:</i>
20,732 sq. ft.	20,732 sq. ft.	Variable	0%

## **ORG STRUCTURE**

SMIC is a non-for-profit organization, certified by the Department of Economic Development in 2005.

## **ALLIANCES, PARTNERS, SPONSORS**

Southeast Missouri State University, Missouri Department of Economic Development, Missouri Technology Corporation, Small Business Development Center, Small Business Administration Workforce Development, Missouri Enterprise

## **FUNDING**

*Federal:* \$980,000, SBDC, U.S. Department of Labor, Division of Workforce Development  
*State:* \$445,100 – Missouri Innovation Center Program, 2004-2005  
*Local:* \$0  
*Private:* \$0  
*Other:* \$1,077,562, List bond proceeds

## **BUSINESS/OPERATION**

### *Target Markets:*

- Life science
- Information technology
- Advanced manufacturing (especially targeting minority and women-owned entities)

### *Services Offered:*

- Small business counseling
- Entrepreneurial training
- Small business finance customized training for industry
- Agriculture
- Health care
- Engineering assistance

### *Entrance Criteria:*

- For profit entity meeting evaluation criteria as outlined in the Southeast Innovation Center policies



*Success Graduation Criteria:*

- Outgrown the Incubator space in terms of personnel and operations
- Consistently breaking even or making a profit

*Failure Exit Criteria:*

- Refusal to participate in on-on-one and group facility meetings
- Behind payments for 60 days or more

RECENT DEVELOPMENTS

As of June 30, 2005, the first and second floor tenants moved into the SMIC. The first floor tenants are the Small Business Development Center, the Small Business Administration, the Rural Communities Workforce Development Office, and Missouri Enterprise. The second floor tenants are the Southeast MO University's Regional Professional Development Center and affiliated programs. Renovation of the third floor for incubator tenants is the next project. Missouri Research Corporation is securing funding for the project.

# St. Louis Enterprise Center - StLEC

## FOCUS

Mixed-Use

## MISSION

To provide supportive environment for start-up and emerging businesses in disadvantaged area

## FACILITY

<i>Facility Size:</i> 10,000 sq. ft.	<i>Rentable Unit Size:</i> 4,528 sq. ft.	<i>Number of Units:</i> 17	<i>Current Capacity:</i> 0%
---	---	-------------------------------	--------------------------------

## ORG STRUCTURE

StLEC is a non-for-profit organization, certified by the Department of Economic Development in 1990.

## ALLIANCES, PARTNERS, SPONSORS

Edward Jones, EPA, Greater St. Louis Regional Empowerment Zone, HUD, MoDED, MoDNR, St. Louis County

## FUNDING

*Federal:* \$750,000 – Empowerment Zone

\$27,000 – EPA

\$250,000 – HUD

*State:* \$362,500 – Small Business Incubator, 1990-2001 (tax credits, 50% of contributions)

\$879,743 – Remediation (Brownfield) Program, 2002 (tax credits, various % of contributions)

*Local:* \$167,000 – St. Louis County

*Private:* \$848,000 – Edward Jones

*Other:* \$0

## BUSINESS/OPERATION

### *Target Markets:*

- Startup and emerging companies in the Wellston and surrounding Regional Empowerment Zone area

### *Services Offered:*

- Affordable space and support services
- Mentoring
- Educational programs
- Links to resources
- Access to capital

### *Entrance Criteria:*

- For-profit venture
- Business plan
- State registration
- Financial stability

- Meet economic development need for area

*Success Graduation Criteria:*

- Sales and employment growth
- Financial stability
- Support network
- Acceptable area commercial relocation option

*Failure Exit Criteria:*

- Lack of market acceptance
- Declining financial position
- Lack of participation in incubator activities

# Technology Entrepreneur Center - TEC

## FOCUS

Information and communication technology start-ups

## MISSION

To educate entrepreneurs and support the growth in the St. Louis region

## FACILITY

<i>Facility Size:</i> 10,000 sq. ft. (additional 10,000 sq. ft. in 2006)	<i>Rentable Unit Size:</i> Single – 100 sq. ft.; Multiple–650 sq. ft.	<i>Number of Units:</i> 13 offices; 2 conference rooms; 1 meeting area	<i>Current Capacity:</i> 70%
---	---	---	---------------------------------

## ORG STRUCTURE

TEC is a non-for-profit organization, certified by the Department of Economic Development in 2003.

## ALLIANCES, PARTNERS, SPONSORS

Ameren CDC, Arthur Z. Guller Family Partnership, Bandwidth Exchange Buildings, Bank Midwest, City of St. Louis, St. Louis Development Corporation, Missouri Department of Economic Development, Switch and Data, Washington University, Xiolink LLC

## FUNDING

*Federal:* \$0

*State:* \$291,900 – Small Business Incubator Program, 2003-2005 (tax credits, 50% of contributions)

*Local:* \$50,000, St. Louis Development Corporation forgivable loan

*Private:* \$140,000 Ameren CDC grant for construction, 2004

*Other:* \$0

## BUSINESS/OPERATION

### *Target Markets:*

- Culturally diverse entrepreneurs with start-up companies in the information and communication technology, who are seeking to bring their product/service to the market.
- Individuals open to the mentoring whose companies offer the potential for job growth in the St. Louis region with an emphasis on the distressed economic zone in which TEC is located.

### *Services Offered:*

- Access to highly qualified mentors from TEC Board of Directors and other community volunteers
- Assistance with business planning and strategies
- Shared office services: professional, phone/fax, other administrative duties

### *Entrance Criteria:*

- Must be an information or communication technology company
- Personal and financial commitment and experience of the applicant
- Quality of the management team
- Technical/proprietary competitive advantage for the product/process

- Lifecycle of the product/process
- Current and long-term prospects for venture funding

*Success Graduation Criteria:*

- Well-functioning management team
- Significant investor commitment
- Significant product sales
- Financial ability to pay for commercial services offered outside of TEC

*Failure Exit Criteria:*

- Unable to meet basic minimal financial obligation
- No longer the primary focus of the management team's attention

## RECENT DEVELOPMENTS

TEC celebrated its one year anniversary with over 150 attendees from St. Louis region. It recruited a director of fundraising and special projects. The St. Louis Development Corporation extended TEC an additional \$50,000 in a forgivable loan. Also, TEC was awarded \$140,000 from the Ameren CDC as one of the grant recipients for Fall 2004 grant cycle. The money helped TEC to add its phone system and build conference rooms and office units for tenants.

## PORTFOLIO OF CURRENT TENANTS

1. **Details.At Trading Company, Inc.** - develops an effective website that combines one of largest revenue generating businesses – classified advertising, pee-to-peer Internet auctions, URL redirections, and web site based advertising. The company is currently in negotiations with an angel investor to develop the funds to hire a CEO and marketing manager.
2. **Global Velocity** - develops a technology that protects data flows against computer viruses and secures confidential data. It signed an exclusive license agreement with the Washington University, and also continues to have a strong relationship with a local research and engineering firm which utilizes two of the company's units in its work with the Defense Department.
3. **Heaton Technology Services** - offers small businesses IT management. Heaton continues to maintain a strong customer list of small to medium sized businesses that outsource their IT needs.
4. **Minute Guard, LLC** - created the first proactive cellular management tool that alerts the cellular users via text message before they go over their minutes. It recently hired a customer-service and sales representatives.
5. **OnlyLink** - services include internet and voice services for corporate clients, data center collocation, as well as hosting and domain services. The company increased its staff and utilizes TEC's mentoring sessions. The main focus is to increase sales and business partnerships in the future.

## **Thomas Hill Enterprise Center - THEC**

**This incubator did NOT report.**